CHAPTER NO. 687

SENATE BILL NO. 3261

By Burchett

Substituted for: House Bill No. 3351

By West, Hackworth

AN ACT to amend Tennessee Code Annotated, Title 50, Chapter 6, relative to workers' compensation provider civil penalties.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 50-6-233, is amended by adding a new subsection (c)(8) as follows:

(8) To establish a civil penalty, to be assessed at the discretion of the commissioner, against a provider who has, after proper notification and appropriate time to respond, refused to make repayment to a payor for a payment that exceeds the medical fee schedule after exhausting all appeals. Under no circumstances shall a provider be assessed a civil penalty solely for receiving payment from a payor that exceeds the medical fee schedule.

SECTION 2. This act shall take effect upon becoming law, the public welfare requiring it.

PASSED: May 10, 2006

JOHN S. WILDER SPEAKER OF THE SENATE

JIMMY NAIFEH, SPEAKER

APPROVED this 18th day of May

2006

PHIL BREDESEN, GOVERNOR